

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2373 - SB 2374

March 22, 2016

SUMMARY OF ORIGINAL BILL: Establishes a license classification for a cosmetology school which provides educational courses for natural hair styling. Makes the following changes to statute regarding the practices of cosmetology and barbering: non-substantive changes to application requirements of a barber school, college of barbering, or school of cosmetology; adds "shampooing" and "natural hair styling" to the practices which define cosmetology; makes non-substantive changes to application requirements of individuals seeking a certificate of registration as a barber instructor.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

IMPACT TO COMMERCE OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (014102): Deletes and rewrites the bill such that the only substantive change corrects an erroneous reference in the original bill.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- Adding a new licensure classification for cosmetology schools providing educational courses for natural hair styling will not result in additional license issuances by the Board of Cosmetology and Barber Examiners as these schools, pursuant to Cosmetology rule 0440-01-.16, are currently licensed by the Board; therefore, no significant increase in licensure fee revenue to the Board.
- Pursuant to Cosmetology rule 0440-01-.03, a cosmetology licensee is currently required to practice shampooing or natural hair styling; therefore, no significant increase in

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licenses issued by the Board as a result of including these practices in the definition of “cosmetology.”

- Public Chapter 964 of the Public Acts of 2014 conjoined the Board of Cosmetology and the Board of Barber Examiners into one Board, the Board of Cosmetology and Barber Examiners. This Public Chapter was enacted on July 1, 2014.
- Pursuant to Tenn. Code Ann. § 4-29-121, all regulatory boards are required to be self-supporting over any two year period.
- The Board of Cosmetology had an annual surplus of \$42,158 in FY13-14. The Board of Barber Examiners had an annual surplus of \$97,025 in FY13-14. The Board of Cosmetology and Barber Examiners had a surplus of \$104,555 in FY14-15 and a cumulative reserve balance of \$394,499 on June 30, 2015.

IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumption for the bill as amended:

- This legislation will have no significant impact on commerce or jobs in Tennessee.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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